



# PORTS-TO-PLAINS ALLIANCE

Securing the Benefits of Commerce to  
North America's Energy & Agricultural Heartland

## FEDERAL PRIORITIES OF THE PORTS-TO-PLAINS ALLIANCE FOR TRANSPORTATION REAUTHORIZATION

**SPRING 2015**



**OPPOSE DEVOLUTION**

**PASS A MULTI-YEAR BILL**

**INCREASE INVESTMENT**

**FIX THE HIGHWAY TRUST FUND**

**PRIORITIZE RURAL  
MULTI-STATE CORRIDORS**

**ADDRESS PORTS-TO-PLAINS  
ALLIANCE POLICY PRIORITIES**

Ports-to-Plains is a grassroots alliance of communities and businesses whose mission is to advocate for a robust transportation infrastructure to promote economic security and prosperity throughout North America's energy and agricultural heartland.

# PORTS-TO-PLAINS ALLIANCE

## OPPOSE DEVOLUTION

The Ports-to-Plains Alliance opposes devolution. The federal government should not abandon its constitutional role by transferring responsibility for the national transportation network to state and local governments.

With a few minor exceptions, the federal-aid highway program targets federal highway investment on the network of roads most important to regional and interstate travel. There are four million miles of roads in the United States. Only 25 percent of these roads are eligible for federal-aid highway funding. This network of roads is known as the federal-aid highway system. It carries 85 percent of the total vehicle-miles travelled in the United States annually. The remaining seventy-five percent of the Nation's roads (roughly 3 million miles) are the responsibility of state and local governments.



Even more importantly, the vast majority of federal-aid highway investment (about 75 percent) is dedicated to the National Highway System (NHS), a portion of the federal-aid highway system.

The NHS, which includes the Interstate Highway System, makes up only 5 percent (about 220,000 miles) of the Nation's road mileage but carries 55 percent of total vehicle-miles traveled and over 90 percent of truck miles. It is the backbone of the federal-aid highway system as well as America's intermodal transportation network. The Ports-to-Plains Corridor, the Heartland Expressway, and the Theodore Roosevelt Expressway are part of the NHS.

By fostering an interconnected network of roads in uniformly sound condition, the federal-aid highway program serves an important national purpose. This purpose can only be achieved by a certain amount of redistribution, which the federal-aid highway program achieves through its structure and formulas.

Without redistribution, certain states--typically large, sparsely-populated states--would not be able to develop and maintain their portion of the network. A network is only as strong as its weakest links.

It is also important to note that modernizing the federal-aid highway system, especially the major highways that make up the National Highway System, will require significant, sustained investment over a considerable period of time. The investment level needed is considerably higher than current levels of funding.

Devolution must be analyzed against this background.

- Will it result in more or less investment in the National Highway System and the other portions of the Federal-aid highway system?
- Will it provide for the redistribution necessary to achieve a uniformly-sound national network?
- Will it make it easier or harder to achieve investment necessary to bring the national network into a state of good repair and provide the capacity to meet future population and economic growth?

Devolution is a step backwards, not a step forward, in meeting these challenges. Here's why:

## A CORRIDOR OF NATIONAL SIGNIFICANCE

### **First, devolution will reduce, not increase, investment in the nation's most important highways.**

In most cases, it will be politically difficult for states to replace the lost federal revenues from eliminating the 18.4 cents federal gas tax. To further complicate matters, donee states will have to increase the gas tax by more than 18.4 cents. For example, a state that received back \$1.25 for each dollar it paid in will have to raise its gas tax by 23 cents to replace the current federal tax, making it even less likely that the state will be able to replace the relinquished federal tax.

### **Second, devolution will balkanize our national highway network.**

Because states will differ in their ability to replace the lost federal revenues, and because states will differ on how much of the replaced revenue to invest on the national network as opposed to local projects, there will be a disparity in investment between the states, leading to a balkanization of the national network.

### **Third, devolution will hurt U.S. international competitiveness, stifle economic growth, and inhibit long-term private-sector job creation.**

Devolution will lead to less investment in the national highway network. The increased costs of transportation, and the decreased reliability of the system, will drive up logistics costs and hurt U.S. businesses. They will be less able to compete in the international marketplace. Transportation will become a drag on the economy, impeding private sector growth and long-term private sector job creation.

### **Fourth, devolution is unfair.**

A very costly project in State A may be needed because of traffic destined for other distant states. It is fundamentally unfair to ask the citizens of State A to pay the whole tab for a project that benefits millions of people across the network. The costs of modernizing the national network should be borne by all of the users of the network.

### ***THE FEDERAL ROLE***

*From President Washington's support for federal construction; maintenance and repair of existing and future lighthouses, buoys and public piers for rendering navigation "easy and safe;" to Henry Clay's support for capital improvements; to President Lincoln's support for the transcontinental railroad; to President Theodore Roosevelt's support of the Panama Canal; to President Franklin Roosevelt's support for a cross-country high level road system; to President Eisenhower's support of the Interstate Highway System and the Highway Trust Fund; and to President Reagan's support for increased motor fuel user fees to preserve and modernize the federal-aid highway network, the federal government has been instrumental in the development of our Nation's strong surface transportation network. Devolution flies in the face of this history.*



# PORTS-TO-PLAINS ALLIANCE

## PASS A MULTI-YEAR BILL

The Ports-to-Plains Alliance supports a five or six year reauthorization bill, which is consistent with previous surface transportation bills and necessary for proper long-term planning. Operating under a series of short-term extensions is problematic and difficult on federal and state transportation agencies.

It is important to complete the reauthorization process by May 31, 2015, the date on which the current extension expires. If that is not possible, then the program should not be allowed to lapse. It should be extended, but only for as long as is necessary to complete the long-term reauthorization process.

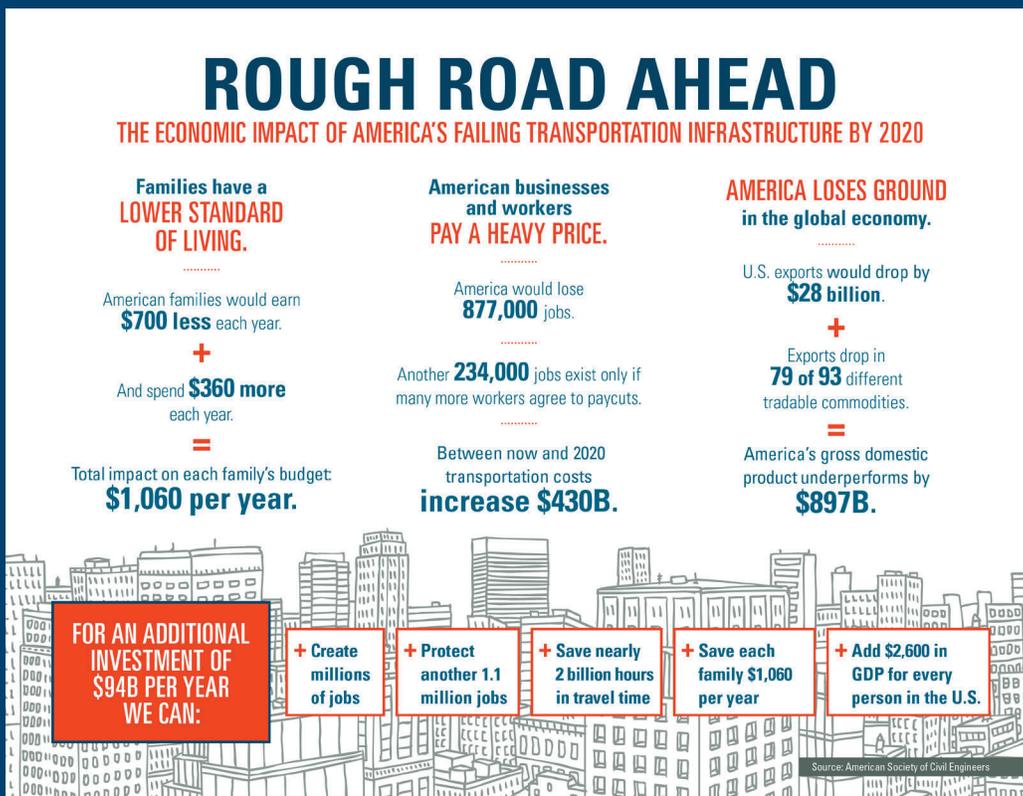
## INCREASE INVESTMENT

Virtually every study, including studies by two bipartisan national commissions established by Congress, have concluded that there must be a significant increase in surface transportation investment from the federal, state, and local governments, as well as the private sector. Recognizing that preserving and upgrading our national transportation



infrastructure will be costly, the Ports-to-Plains Alliance supports significantly increased transportation investment, as long as adequate resources are provided for multi-state rural freight/energy/agricultural corridors, like the Ports-to-Plains Alliance Corridor.

To the extent the MAP-21 reauthorization bill relies on innovative financing (PPPs, tolling, pricing, enhanced-credit facilities), it is important to remember that these options do not generally help rural corridors.



# A CORRIDOR OF NATIONAL SIGNIFICANCE

Most of these options require that the project generate a revenue stream (usually tolls) to repay the investment, which is not an option in most rural corridors. These rural corridors are critical to the national and international movement of freight. Therefore, to the extent the bill gives urban areas increased financing flexibility, it should also take steps to require that states give priority to rural corridors in obligating its federal highway grants.

## FIX THE HIGHWAY TRUST FUND

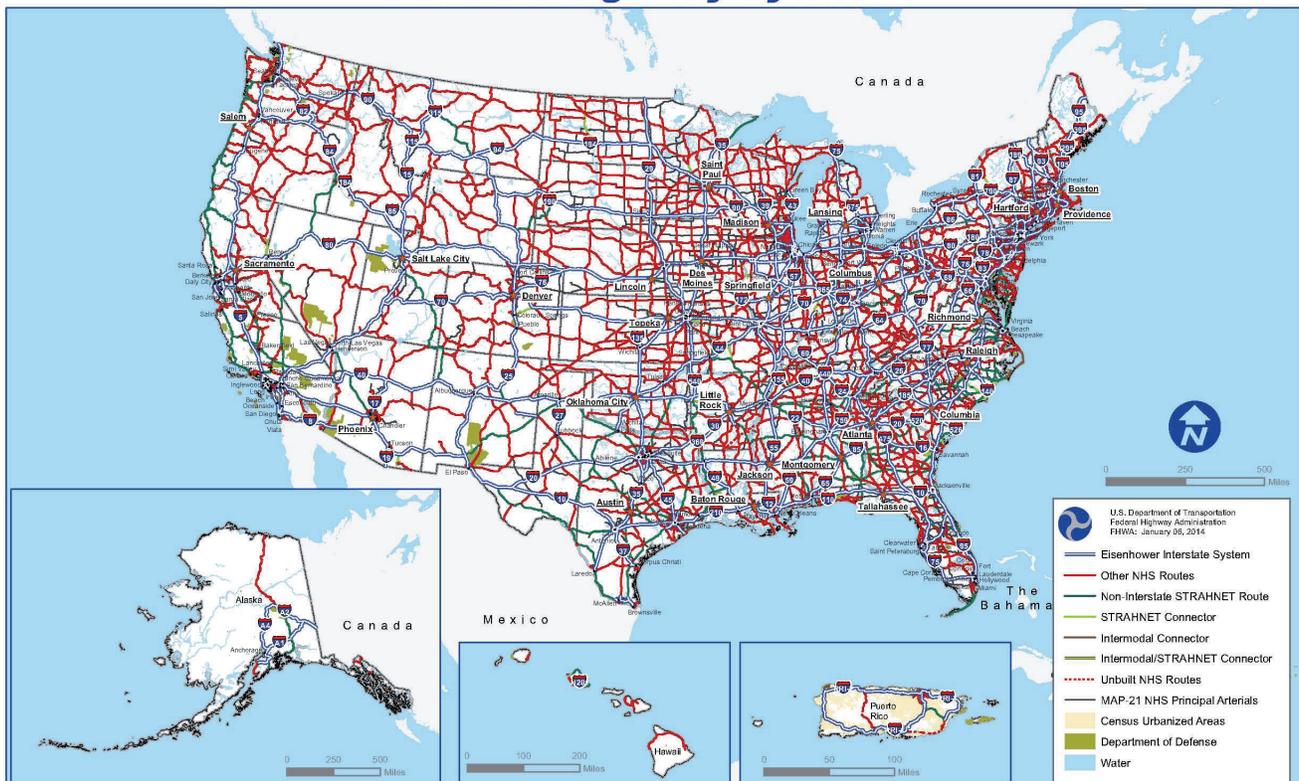
One of the biggest challenges facing Congress in the reauthorization process is the fiscal condition of the Highway Trust Fund (HTF), which supports funding for the highway and transit programs. Simply stated, the HTF is insolvent. Current user revenues cannot support current investment levels. If Congress relies on existing revenues only, with no revenue increases or general fund transfers, then highway and transit funding would have to be reduced by about 30 to 40 percent below current levels. Alternatively, Congress would have to enact about the equivalent of a 10-cent per gallon gas tax increase to fill the hole, i.e., to maintain current levels of funding. And of course, if Congress wanted to increase highway and transit funding above current levels, it would

have to raise even greater amounts. This is not surprising. The federal gas tax has not been raised since 1993. In inflation-adjusted terms, the gas tax has lost a third of its purchasing power and is worth only 11.5 cents today. To fix the HTF, all options must be on the table. It is time for courageous leadership. It is time to reach across political parties to forge a bipartisan consensus in the national interest.

Congress must find adequate user revenues for the HTF to support--at a minimum--current levels of funding and--ideally--increased levels of funding. Reductions in the current levels of federal investment are unacceptable.

*The Ports-to-Plains Alliance supports an increase in federal revenues equivalent to a 20 to 40-cent increase in motor fuel taxes.* All such revenues should be invested in the national surface transportation network. This is the level of investment necessary to promote national economic growth and international competitiveness. Without this level of resources, rural freight/energy/agricultural corridors like Ports-to-Plains, Heartland Expressway, and Theodore Roosevelt Expressway are unlikely to see significant improvements.

## National Highway System



# PORTS-TO-PLAINS ALLIANCE

The Ports-to-Plains Alliance realizes that there is no free lunch and is prepared to politically support elected officials who make the tough decisions to raise the revenues necessary for an enhanced federal program.

Ports-to-Plains support of increased revenue is, however, contingent on fair treatment of rural corridors. Multi-state rural freight corridors like the Ports-to-Plains Alliance Corridor must benefit from the growth in federal investment.

## PRIORITIZE RURAL MULTI-STATE CORRIDORS

America's multi-modal national surface transportation network supports and enhances the economic growth of our nation. It helps sustain our quality of life and enables the flow of interstate and international commerce that is the foundation our nation's competitive position in the global economy.

A critical part of the national network are the multi-state rural highway corridors that are essential to the development of America's energy and agricultural resources. The antiquated two-lane highways that currently serve most of these corridors were not designed to carry the number of trucks, especially heavy trucks, currently being experienced up and down these corridors.

Moreover, these roads are not geometrically designed to accommodate the large trucks being used today by the energy and agricultural industries.



Nowhere is this more evident than in the Ports-to-Plains Alliance Corridor. The north-south movement of goods and persons through this ten-state economic region relies on an existing 2,333-mile network of mostly two-lane highways. The entire length of the corridor-- from the Mexican border to the Canadian border--is part of the National Highway System and, in recognition of its importance, has been designated by federal law as High Priority Corridors: the

Ports-to-Plains Corridor (#38), the Heartland Expressway (#14), the Theodore Roosevelt Expressway (#58), and the Camino Real Corridor (#27).

To promote economic security and prosperity throughout America's energy and agricultural heartland, the Ports-to-Plains Alliance Corridor must be upgraded and modernized. Other multi-state rural highway corridors important to energy and agricultural production must also be improved.

Only in this way will the United States be able to realize the full potential of its energy and agricultural resources. By doing so, it will take an important step toward energy self-sufficiency and increased international competitiveness of U.S. agriculture.



## ADDRESS PORTS-TO-PLAINS ALLIANCE POLICY PRIORITIES

In addition to the above recommendations, the Ports-to-Plains Alliance also supports the following reauthorization principles:

- *General.* The reforms in MAP-21 should be maintained. Continued congressional oversight of DOT implementation is critical. The Alliance supports additional reform--over and above the reform in MAP-21-- to further streamline project delivery.
- *Critical Rural Freight Corridors.* The Ports-to-Plains Alliance supports strengthening the requirements in MAP-21 regarding state designation of Critical Rural Freight Corridors. The provisions are currently discretionary. We support making the designation mandatory if the designation criteria are met. Only in this way will we ensure that the freight network provides access to energy exploration, development, installation, or production areas.

# A CORRIDOR OF NATIONAL SIGNIFICANCE

- *State Freight Advisory Committees.* MAP-21 directs the Secretary of Transportation to encourage states to establish State Freight Advisory Committees. The Ports-to-Plains Alliance supports requiring states to establish such committees, which are an important part of the process needed to develop a thorough State Freight Plan. Bringing together the perspectives and knowledge of public and private partners, including shippers, carriers, and infrastructure owners and operators, is important to developing a quality State Freight Plan.
- *Rural Planning.* The Ports-to-Plains Alliance--
  - › Supports maintaining the federal definition of Regional Transportation Planning Organizations (RTPOs) and an improved regional focus in the statewide transportation planning process; and
  - › Supports enhanced provisions requiring state DOTs to designate and fund RTPOs to help address the transportation needs of non-metropolitan areas outside the boundaries of MPOs.
- *Focus On Freight Transportation.* Freight transportation was not fully addressed in MAP-21. Ports-to-Plains Alliance supports increased investment in freight corridors, especially rural corridors that provide increased multi-state connectivity, especially north-south connectivity; connect urban centers to agricultural and energy producing areas; provide efficient, cost-effective alternatives to congested corridors; and are essential for the safe movement of today's larger trucks.
- *University Transportation Centers.* The Ports-to-Plains Alliance strongly supports the continuation University Transportation Centers program, including fairer selection criteria.
- *Rural Corridors of National Significance.* The Ports-to-Plains Alliance supports establishment of a program to demonstrate the benefits of upgrading multi-state rural highway corridors important to energy and agricultural production.
- *Truck Size and Weights.* Ports-to-Plains Alliance supports efforts to harmonize the size and weight of commercial vehicles, including establishing an interstate compact as appropriate.

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# PORTS-TO-PLAINS

ALLIANCE

## BRIDGING THE FUTURE FOR NORTH AMERICA'S RURAL HEARTLAND

We are committed to working as an Alliance to improve transportation infrastructure and business networks, by ensuring appropriate funding levels, so business and industry can thrive.

We are focused on the economic and business interests that are the lifeblood of the region.

We are a voice for our small town, grassroots members who may otherwise not have access to the right audiences.

[www.portstoplains.com](http://www.portstoplains.com)